

Message Text

LIMITED OFFICIAL USE

PAGE 01 LUSAKA 02419 220709Z

20

ACTION EB-07

INFO OCT-01 AF-04 ARA-06 EUR-12 EA-06 ISO-00 FEA-01 AGR-05

CEA-01 CIAE-00 COME-00 DODE-00 FRB-01 H-01 INR-05

INT-05 L-02 LAB-01 NSAE-00 NSC-05 PA-01 RSC-01 AID-05

CIEP-01 SS-15 STR-01 TAR-01 TRSE-00 USIA-06 PRS-01

SP-02 OMB-01 SWF-01 GSA-01 OPIC-03 XMB-02 /105 W

----- 069765

R 211514Z NOV 74

FM AMEMBASSY LUSAKA

TO SECSTATE WASHDC 973

INFO AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY KINSHASA

AMEMBASSY LIMA

AMEMBASSY LONDON

AMCONSUL LUBUMBASHI

AMEMBASSY PARIS

AMCONSUL PORT MORESBY

AMEMBASSY SANTIAGO

AMEMBASSY TOKYO

LIMITED OFFICIAL USE LUSAKA 2419

EO 11652: N/A

TAGS: ETRD, EIND, EAGR

SUBJECT: CIPEC MINISTERIAL MEETING IN PARIS

(TEL WILL BE SENT TOKYO NOV 26)

REF: STATE 255226

1. FRANCIS KAUNDA, GENERAL MANAGER OF ZAMBIA'S METAL
MARKETING CORP AND GRZ REPRESENTATIVE ON MARKETING
COMMITTEE AT LIMA CIPEC OCT 28-31 MEETING, CONFIRMED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LUSAKA 02419 220709Z

TO US CURRENT CONFERENCE OF MINISTERS IN PARIS HAS

ADOPTED 10 PERCENT CUTBACK IN COPPER EXPORTS BY CIPEC MEMBERS DURING PERIOD DEC 1 - MAY 1. THIS MEASURE WAS PROPOSED BY MARKETING COMMITTEE AND APPROVED BY BOARD OF GOVERNORS AT LIMA AS RECOMMENDATION TO EXTRAORDINARY CONFERENCE OF MINISTERS. KAUNDA SAID MEASURE DOES NOT INCLUDE PROVISION FOR CUTBACK IN PRODUCTION, "THOUGH THAT MAY ULTIMATELY BE CONSEQUENCE." HE THOUGHT EXPORT CUTBACK WOULD LIMIT OPPORTUNITIES FOR SPECULATORS WHO IN PAST HAVE DISTURBED MARKETS TO DETRIMENT OF PRODUCERS.

2. OFFICIALLY THERE NO SPECIFIC COPPER PRICE AT WHICH CIPEC COUNTRIES AIMING, BUT KAUNDA SAID "PERSONALLY" HE THOUGHT 800 POUNDS STERLING WOULD BE REASONABLE. HE EMPHASIZED "WITH RELIEF" CIPEC NOT SEEKING EXTORTIONATE PRICE BUT ONLY WHAT IS "FAIR AND EQUITABLE." ACKNOWLEDGED, IN ANY EVENT, COPPER PRODUCERS NOT IN SAME POSITION OF STRENGTH AS OIL PRODUCERS; "THERE IS NO SCRAP OIL."

3. CONFERENCE OF MINISTERS ALSO CONSIDERING PROPOSALS APPROVED AT LIMA FOR AMENDMENTS TO CIPEC CONSTITUTION WHICH WOULD ENCOURAGE MEMBERSHIP OF NEW COUNTRIES BY ELIMINATING PRIVILEGED POSITION OF FOUNDING MEMBERS. KAUNDA MENTIONED MEXICO, PAPUA NEW GUINEA AND PHILLIPINES AS POTENTIAL NEW CIPEC PARTNERS. MEMBERSHIP FOR INDIVIDUAL COMPANIES ALSO BEING CONTEMPLATED. NORANDA AMONG THOSE COMPANIES NAMED AS INTERESTED. KAUNDA OF OPINION US COMPANIES FAVOR AND ENDORSE CIPEC EFFORTS BUT UNABLE PARTICIPATE DUE TO ANTI-TRUST LAWS. IS THIS ACCUATE ASSESSMENT?

4. IN ZAMBIA'S VIEW, ACCORDING TO KAUNDA, MAJOR EFFORT MUST BE MADE TO EXPAND CIPEC MEMBERSHIP IN ORDER TO RAISE PERCENTAGE OF COPPER EXPORTS UNDER CIPEC UMBRELLA TO MORE THAN PRESENT 60 PERCENT OF WORLD TOTAL. HE EMPHASIZED AVAILABILITY OF SCRAP COPPER SEVERELY LIMITS CIPEC ABILITY TO AFFECT PRICES.

WILKOWSKI
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LUSAKA 02419 220709Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, MEETINGS, PRICES, MINISTERIAL MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 21 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LUSAKA02419
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740338-0571
From: LUSAKA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741124/aaaaafr.tel
Line Count: 107
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 255226
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 09 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 APR 2002 by izenbei0>; APPROVED <14-Aug-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIPEC MINISTERIAL MEETING IN PARIS (TEL WILL BE SENT TOKYO NOV 26)
TAGS: ETRD, EIND, EAGR, CIPEC, PARIS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005